

The Office of Contracting and Procurement

Description	FY 2002 Approved	FY 2003 Proposed	% Change
Operating Budget	\$13,066,450	\$13,188,462	.9

The mission of the Office of Contracting and Procurement (OCP) is to provide contracting services to agencies for the delivery of quality goods and services to the residents of the District in a timely and cost-effective manner.

The agency plans to fulfill its mission by achieving the following strategic result goals:

- Implementing service-level agreements to help agencies plan and manage procurement needs in a more efficient and timely manner.
- Enhancing the current electronic procurement system to allow development, execution, and administration of contracts more effectively.
- Ensuring that all OCP staff and agency program employees receive competency-based procurement training in courses tailored to District laws and regulations.

Did you know...

Number of Agencies OCP procures items for	43
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Types of goods OCP contracts for include...

Office supplies, paper, information technology, pharmaceuticals, medical supplies, industrial equipment, police electronics, and automotive parts and equipment.

Services OCP contracts for include...

Accounting; architect and engineering; billing and collections; building maintenance; construction and demolition; education and training; human resources; information technology; and legal and medical services.

Contract methods used by OCP to procure goods and services include...

Blanket purchase agreements, purchase agreements, fixed price contracts, cost-reimbursement contracts, incentive contracts, time and materials contracts, labor-hour contracts, and leases.

Where the Money Comes From

Table PO0-1 shows the source(s) of funding for the Office of Contracting and Procurement.

Table PO0-1

FY 2003 Proposed Operating Budget, by Revenue Type

(dollars in thousands)

	Actual FY 2000	Actual FY 2001	Approved FY 2002	Proposed FY 2003	Change From FY 2002
Local	13,356	12,717	13,066	12,943	123
Other	422	0	0	0	0
Intra-District	720	118	0	245	245
Gross Funds	14,498	12,836	13,066	13,188	122

How the Money is Allocated

Tables PO0-2 and 3 show the FY 2003 proposed budget and FTEs for the agency at the Comptroller Source Group level (Object Class level).

Table PO0-2

FY 2003 Proposed Operating Budget, by Comptroller Source Group

(dollars in thousands)

	Actual FY 2000	Actual FY 2001	Approved FY 2002	Proposed FY 2003	Change from FY 2002
Regular Pay - Cont Full Time	9,755	8,628	8,938	9,934	996
Regular Pay - Other	0	4	0	0	0
Additional Gross Pay	605	187	100	100	0
Fringe Benefits - Curr Personnel	1,549	1,496	1,254	1,542	288
<i>Personal Services</i>	<i>11,909</i>	<i>10,315</i>	<i>10,292</i>	<i>11,576</i>	<i>1,284</i>
Supplies and Materials	255	86	125	40	-85
Energy, Comm. and Bldg Rentals	68	95	88	103	15
Telephone, Telegraph, Telegram, Etc	564	71	98	73	-25
Rentals - Land and Structures	101	65	91	106	15
Janitorial Services	0	0	72	72	1
Security Services	0	0	101	109	8
Other Services and Charges	1,338	1,985	1,766	362	-1,403
Contractual Services - Other	28	19	0	619	619
Equipment & Equipment Rental	235	200	435	130	-305
<i>Non-personal Services</i>	<i>2,589</i>	<i>2,521</i>	<i>2,774</i>	<i>1,613</i>	<i>-1,162</i>
Total Proposed Operating Budget	14,498	12,836	13,066	13,188	122

Table P00-3

FY 2003 Full-Time Equivalent Employment Levels

	Actual FY 2000	Actual FY 2001	Approved FY 2002	Proposed FY 2003	Change from FY 2002
Continuing full time	171.5	153.25	164	169	5
Term full time	0	1	0	0	0
Total FTEs	171.5	154.25	164	169	5

Local Funds

The proposed Local budget is \$12,943,463, a decrease of \$122,987, or 0.9 percent, from the FY 2002 approved budget of \$13,066,450. Of this net decrease, \$1,038,617 is an increase in personal services and \$1,161,604 is a decrease in nonpersonal services. There are 166 FTEs funded by local sources, an increase of two FTEs from the FY 2002 approved budget associated with a mayoral enhancement for surplus property disposal.

Significant changes are:

- A net increase of \$1,038,617 in personal services including \$352,874 due to the pay increase approved in FY 2002, an increase of \$535,743 due to other salaries and fringe benefit adjustments, and an increase of \$150,000 for a mayoral enhancement associated with an addition of two FTEs to improve surplus property disposal.
- A reduction of \$85,400 in supplies associated with cost-saving initiatives.
- A net increase of \$13,261 in fixed costs.
- A decrease of \$1,403,209 in other services and charges associated with a realignment of agency services from other services to contractual services. This reduction is also associated with a decrease of \$285,874 associated with cost-saving initiatives.
- A net increase of \$618,940 in contractual services associated with both an increase of \$793,466 due to a realignment of agency ser-

vices and a decrease of \$174,526 due to cost-saving initiatives.

- A decrease of \$305,196 in equipment due to a reassessment of agency's needs.

Intra-District Funds

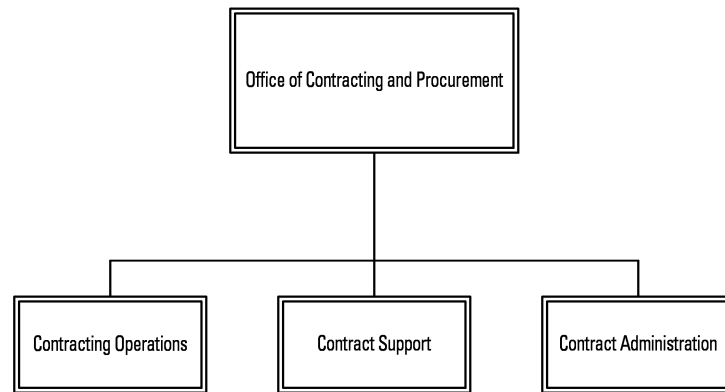
The proposed intra-District budget is \$244,999, an increase of \$244,999 over the FY 2002 approved budget funding level of \$0. There are three FTEs supported by intra-District funds, a increase of three over the FY 2002 approved budget. Intra-District funds will be used to support technology projects within the Office of the Chief Technology Officer, and procurement projects within the Office of Property Management.

The significant change is:

- An increase of \$244,999 in personal services due to an increase of three additional FTEs.

Figure P00-1

Office of Contracting and Procurement



Programs

OCP manages the following programs:

Contract Operations

The purpose of this program is to provide essential acquisition services for 33 District agencies under the authority of the Mayor, as well as independent agencies subject to the Procurement Practices Act. These services account for more than \$1.5 billion in acquisitions, including 1,600 contract actions and 19,000 small purchases.

Key initiatives associated with the Contracts Operations program are:

- Reducing the contract approval cycle.
- Increasing the number of service level agreements awarded.

Contract Support

This program promotes the Mayor's commitment to economic development by procuring goods from local, small, and disadvantaged businesses pursuant to D.C. Law 6-85. It implements supply schedules, which enable agencies to accelerate and simplify the purchase of goods and services without competition because prices have been pre-negotiated with certain vendors. The program also is responsible for deploying pur-

chase cards that further empower agencies to obtain goods and services more expeditiously, and travel cards to facilitate and streamline the process for official and government travel-related services. Contract support also provides procurement training to OCP staff and agency program personnel.

A key initiative associated with the Contract Support program is:

- Providing procurement training to non-OCP District employees in basic procurement, contracting officer's technical training (COTR), as well as other subject areas.

Contract Administration

This program provides leadership, management, and administrative services and policy direction for OCP. The program develops and issues OCP policies and procedures. Administration also maintains communications with internal and external customers, manages and trains personnel, and provides tools to support contracting.

A key initiative associated with the Contract Administration program is:

- Increasing the number of contracting staff taking two or more procurement courses in accordance with individual development plans.

Capital Improvements Program

As part of the District-wide cost savings initiative for FY 2002, the agency's total budget authority was reduced by \$351,655 from \$13,730,000 to \$13,378,345 (refer to Capital Improvement Plan).

There is no new proposed capital funding for the Office of Contracting and Procurement. The ongoing Capital budget for the agency is \$1,500,500. In FY 2003, all funding associated with the procurement system will be rolled over into the District's Administrative Services Modernization Program (ASMP). ASMP system integrate core enterprise-wide administrative functions to leverage resources. The District's multi-year ASMP project incorporates finance, human resources, procurement, payroll, property management and performance budgeting functions.

Agency Goals and Performance Issues

Goal 1: Reduce processing time for small purchases (less than \$25,000).

Citywide Strategic Priority Area: Making Government Work

Manager: Gregory Dean, James Parks, Tracy

Usry: Assistant Directors

Supervisor: Jacques Abadie III, Chief Procurement Officer

Measure 1.1: Number of agencies using purchase cards for micropurchases (less than \$2,500)

	Fiscal Year				
	2000	2001	2002	2003	2004
Target	25	30	45	50	55
Actual	24	38	-	-	-

Note: FY 2002 target adjusted from 35 to 45 at request of agency (2/6/02).

Table P00-4

Capital Improvement Plan, FY 2001-FY 2008

(dollars in thousands)

Cost Elements	Through FY 2001	Budgeted FY 2002	Year 1 Total	FUNDING SCHEDULE						Budget	Total Budget
				Year 2 FY 2003	Year 3 FY 2004	Year 4 FY 2005	Year 5 FY 2006	Year 6 FY 2007	6 Years FY 2008		
a. Long Term Financing:	0	0	0	0	0	0	0	0	0	0	0
b. Local Street Fund:	0	0	0	0	0	0	0	0	0	0	0
c. Grants:	0	0	0	0	0	0	0	0	0	0	0
d. Pay Go:	0	0	0	0	0	0	0	0	0	0	0
e. Hwy Trust Fund:	0	0	0	0	0	0	0	0	0	0	0
f. Equipment Lease	0	0	0	0	0	0	0	0	0	0	0
g. Alternative Financing	0	2,000	2,000	1,500	0	0	0	0	0	1,500	3,500
h. Other:	0	0	0	0	0	0	0	0	0	0	0
Total:	0	2,000	2,000	1,500	0	0	0	0	0	1,500	3,500
Cost Elements	Through FY 2001	Budgeted FY 2002	Year 1 Total	EXPENDITURE SCHEDULE						Budget	Total Budget
				Year 2 FY 2003	Year 3 FY 2004	Year 4 FY 2005	Year 5 FY 2006	Year 6 FY 2007	6 Years FY 2008		
a. Design:	0	500	500	0	0	0	0	0	0	0	500
b. Site:	0	0	0	0	0	0	0	0	0	0	0
c. Project Management:	0	500	500	500	0	0	0	0	0	500	1,000
d. Construction:	0	0	0	0	0	0	0	0	0	0	0
e. Equipment:	0	1,000	1,000	1,000	0	0	0	0	0	1,000	2,000
Total:	0	2,000	2,000	1,500	0	0	0	0	0	1,500	3,500

Measure 1.2: Average cycle time (days) for small purchases (\$2,501 to \$25,000)

	2000	2001	Fiscal Year 2002	2003	2004
Target	15	13	11	9	7
Actual	12.4	13.15	-	-	-

Measure 1.3: Number of transactions per month made with purchase cards

	2000	2001	Fiscal Year 2002	2003	2004
Target	1000	25000	32250	35000	35000
Actual	2300	29000	-	-	-

Note: New performance measure added 2/6/02.

Measure 1.4: Dollar value of transactions per month using purchase cards for micropurchases (millions)

	2000	2001	Fiscal Year 2002	2003	2004
Target	0.5	10	16.4	20	25
Actual	0.9	14	-	-	-

Note: New performance measure added 2/06/02.

Goal 2: Review and approve contracts within 5 working days.

Citywide Strategic Priority Area: Making

Government Work

Manager: Jacques Abadie III, Chief
Procurement Officer

Supervisor: John Koskinen, Deputy Mayor/City
Administrator

Measure 2.1: Percentage of contracts reviewed and approved within 5 working days

	2000	2001	Fiscal Year 2002	2003	2004
Target	50	80	85	90	95
Actual	75	71	-	-	-

Goal 3: Institute commodity-buying groups.

Citywide Strategic Priority Area: Making

Government Work

Manager: Jacques Abadie III, Chief
Procurement Officer

Supervisor: John Koskinen, Deputy Mayor/City
Administrator

Measure 3.1: Number of commodity buying groups implemented each year

	2000	2001	Fiscal Year 2002	2003	2004
Target	N/A	1	1	1	1
Actual	N/A	1	-	-	-

Goal 4: Engage in acquisition planning with agencies.

Citywide Strategic Priority Area: Making
Government Work

Manager: Jonathan Butler, James Parks, Tracy
Usry: Assistant Directors

Supervisor: Jacques Abadie III, Chief
Procurement Officer

Measure 4.1: Percentage of agencies with service-level agreements (SLAs) in place that project agency procurement needs

	2000	2001	Fiscal Year 2002	2003	2004
Target	N/A	50	90	95	95
Actual	N/A	63	-	-	-

Measure 4.2: Percentage of contracts awarded in accordance with SLAs

	2000	2001	Fiscal Year 2002	2003	2004
Target	N/A	30	60	70	80
Actual	N/A	28	-	-	-

Goal 5: Implement a tracking system to obtain status of contract actions.

Citywide Strategic Priority Area: Making
Government Work

Manager: James Parks, Assistant Director
Supervisor: Jacques Abadie III, Chief
Procurement Officer

Measure 5.1: Percentage of contract tracking system (CTS) implemented with customer status

	2000	2001	Fiscal Year 2002	2003	2004
Target	N/A	50	80	100	100
Actual	N/A	49	-	-	-

Measure 5.2: Percent of customer agencies having automated access to contract status.

	2000	2001	Fiscal Year 2002	2003	2004
Target	N/A	50	80	100	100
Actual	N/A	50	-	-	-

Note: New performance measure added 2/06/02.

Goal 6: Train staff to adequately execute the OCP mission.

Citywide Strategic Priority Area: Making Government Work

Manager: Ann Jackson, Assistant Director, Professional Community Manager (HR)

Supervisor: Jacques Abadie III, Chief Procurement Officer

Measure 6.1: Percentage of contracting staff taking two or more procurement courses.

	2000	Fiscal Year		2003	2004
		2001	2002		
Target	100	100	80	85	90
Actual	68	75	-	-	-

Note: New measure added 2/06/02 at request of agency. (Replaces previous measure 6.1)

Measure 6.2: Percentage of staff receiving procurement training in accordance with their individual development plans (IDP)

	2000	Fiscal Year		2003	2004
		2001	2002		
Target	N/A	50	100	100	100
Actual	N/A	50	-	-	-

Note: FY 2002 target raised from 70% to 100% at request of agency (2/06/02).

Goal 7: Provide procurement training to MSS employees and agency program managers.

Citywide Strategic Priority Area: Making Government Work

Manager: Ann Jackson, Assistant Director

Supervisor: Jacques Abadie III, Chief Procurement Officer

Measure 7.1: Conduct one-day basic procurement courses

	2000	Fiscal Year		2003	2004
		2001	2002		
Target	N/A	N/A	44	44	N/A
Actual	N/A	N/A	-	-	-

Note: New performance measure added 2/06/02. FY 2004 target is TBD.

Measure 7.2: Train MSS employees on basic procurement

	2000	Fiscal Year		2003	2004
		2001	2002		
Target	N/A	N/A	700	700	N/A
Actual	N/A	N/A	-	-	-

Note: New performance measure added 2/06/02. FY 2004 target is TBD.

Measure 7.3: Provide Contract Officer's Technical (COTR) training to 300 agency program personnel.

	2000	Fiscal Year		2003	2004
		2001	2002		
Target	N/A	N/A	300	300	N/A
Actual	N/A	N/A	-	-	-

Note: New performance measure added 2/06/02. FY 2004 target is TBD.

Goal 8: Conduct survey of customer satisfaction with existing SLA standards and OCP performance.

Citywide Strategic Priority Area: Making Government Work

Manager: Steven Gaither, Ph.D.

Supervisor: Brenda H. Tobe, D.P.A., Assistant Director

Measure 8.1: Percentage of agencies responding to survey

	2000	Fiscal Year		2003	2004
		2001	2002		
Target	N/A	N/A	75	85	85
Actual	N/A	N/A	-	-	-

Note: New performance measure added 2/06/02.

Goal 9: Research and establish environmentally sensitive District agency purchasing guidelines

Citywide Strategic Priority Area: Making Government Work

Manager: Robin Y. Jackson, Senior Policy Analyst

Supervisor: Jacques Abadie III, Chief Procurement Officer

Measure 9.1: Percent of project completed

	2000	Fiscal Year		2003	2004
		2001	2002		
Target	N/A	N/A	50	100	100
Actual	N/A	N/A	-	-	-

Note: New performance measure added 2/06/02. Goal attainment includes the following tasks: develop and issue policy guidelines; develop training and informational materials; conduct workshops for OCP and program staff to maximize environmentally preferable purchasing (EPP); develop a mechanism for tracking EPP purchases.